

**Date:** January 20, 2015

**To:** Thomas Bonfield, City Manager  
**Through:** W. Bowman Ferguson, Deputy City Manager  
**From:** Donald M. Long, Director Solid Waste Management  
**Subject:** Household Hazardous Waste Contract

### **Executive Summary**

In January 2004, ECOFLO, Inc. was selected as the City's Contractor to operate the Household Hazardous Waste (HHW) facility for a period of four years. Although typically referred to as the HHW facility, both HHW and electronic waste, such as old computers, televisions and small appliances, were accepted and managed at the HHW facility at that time.

The Solid Waste Management Department (the "Department") made the decision to issue a Request for Proposal ("RFP") for these services. The Department received three proposals, of which ECOFLO, Inc., was determined to be the best match for the City's needs based on criteria established in the RFP.

### **Recommendation**

Authorize the City Manager to execute the Household Hazardous Waste contract between the City of Durham and ECOFLO, Inc. for a period of five years, at a total cost for the remainder of FY15 of \$87,850, and \$210,840 per year thereafter, plus applicable increase for CPI through June 30, 2020.

### **Background**

In January 2004, ECOFLO, Inc. was selected to be the City's Contractor to operate the HHW facility for a period of four years. During Fiscal Year 2005-06, the Budget and Management Services Department coordinated a managed competition initiative focusing on optimizing and consolidating the HHW program. The primary scope of the program was to evaluate the feasibility and demand for a single drop-off site, evaluate the operational challenges of coordinating HHW activities between the Solid Waste and Water Management Departments, and to develop a plan to offer a seamless HHW experience for citizens. As a result of the managed competition initiative, it was determined that the HHW program should be transferred to the Solid Waste Management Department.

During Fiscal Year 2013-2014, over 273,727 pounds of HHW were diverted from the waste stream. The continued collection of household hazardous waste is a vital service to the community that ensures the safe disposal of HHW, as well as assists in meeting the City's waste reduction goals. The new facility, which was completed in September of 2014, optimizes the handling of HHW by co-locating it at the Transfer Station property. This changed the scope of services needed from the vendor. The SWM Department issued an RFP with the revised services in December 2014, with responses from three vendors.

**Issues/Analysis**

With the relocation of the HHW facility to the Waste Disposal and Recycling Center property, solid waste services have been consolidated at the Transfer Station. The Department issued an RFP seeking alternative recycling/disposal options for HHW which would better serve the City's needs at the new collection facility.

**Alternatives**

One alternative considered was to cease having the HHW facility open during regular operating hours and instead coordinate occasional "clean-up" days throughout the year. This option would have been less costly to the department's operating budget, but would also have posed an inconvenience to Durham's residents and have been more costly for the environment and storm water, as citizens may have chosen not to stockpile HHW until the next collection event.

A final alternative would be to cease collecting HHW, which would likely have led to devastating impacts on the environment.

**Financial Impact**

The cost of the contract is \$87,850 through June 30, 2015 and \$210,840 per year plus applicable CPI through June 30, 2020. The first cost increase, tied to the consumer price index ("CPI"), would not occur until July 1, 2017. No new funds are required for this contract, as funding for HHW services was allocated through the annual budget process for FY-14-15.

**SDBE Summary**

Not applicable

**Attachments**

Household Hazardous Waste Contract  
ECOFLO proposal – December 19, 2014